



OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket Number USTR-2020-0019]

Results of the 2020 Annual Generalized System of Preferences (GSP) Review

AGENCY: Office of the United States Trade Representative.

ACTION: Notice.

SUMMARY: The Office of the United States Trade Representative (USTR) is announcing the results of the 2020 Annual GSP Review with respect to: products considered for the addition to, and removal from, the list of eligible products for certain beneficiary countries; and decisions related to competitive need limitations (CNLs), including petitions for waivers of CNLs.

FOR FURTHER INFORMATION CONTACT: Claudia Chlebek, Director for GSP at (202) 395–2974 or claudia.m.chlebek@ustr.eop.gov.

SUPPLEMENTARY INFORMATION:

A. Background

The GSP program provides for the duty-free treatment of designated articles when imported from beneficiary developing countries. The GSP program is authorized by Title V of the Trade Act of 1974 (19 U.S.C. 2461 *et seq.*), as amended, and is implemented in accordance with Executive Order 11888 of November 24, 1975, as modified by subsequent Executive Orders and Presidential Proclamations.

Each year, USTR leads the interagency Trade Policy Staff Committee (TPSC) GSP Subcommittee in reviewing the list of products eligible for GSP benefits and, after the completion of this process, which includes public hearings, provides recommendations to the President on appropriate actions based on statutory criteria, including exclusions from duty-free treatment of products from certain countries when they have reached the statutory CNL thresholds.

The GSP statute (19 U.S.C. 2463(c)(2)) establishes CNLs as a basis for withdrawing duty-free treatment. The statute provides that, when the President determines that a GSP beneficiary has exported to the United States during any calendar year a quantity of an eligible article that is either (1) greater than a specified amount (\$190 million for 2019), or (2) exceeds 50 percent of the appraised value of the total U.S. imports of that article, the President “shall, not later than November 1 of the next calendar year, terminate the duty-free treatment for that article” from that beneficiary, unless a waiver is granted.

Under 19 U.S.C. 2463(d), the President may waive either CNL if, before November 1 of the calendar year following the year in which imports exceeded CNLs, the President (1) receives advice from the U.S. International Trade Commission on whether any industry in the United States is “likely to be adversely affected by such waiver,” (2) determines, based on certain statutory considerations, that such a waiver is in the national economic interest, and (3) publishes that determination in the *Federal Register*. The statute further provides in 19 U.S.C. 2363(c)(2)(F) that the President may disregard the 50 percent CNL if total imports of an article did not exceed a *de minimis* amount (\$24.5 million in 2019), or if the product was not produced in the United States in any of the three preceding calendar years.

B. Results of the 2020 Annual GSP Review

In the 2020 Annual GSP Review, the TPSC reviewed (1) petitions to add fresh-cut roses to the list of products eligible for GSP, (2) a petition to remove the GSP eligibility of 6 rice products, and (3) 24 products eligible for one-year *de minimis* waivers of CNLs.

Presidential Proclamation 10107 of October 30, 2020, implements the President’s decisions regarding the 2020 Annual GSP Review, including product addition, product removal, and *de minimis* CNL waivers. These modifications to the GSP program became

effective on November 1, 2020. This notice provides a summary of the results of the 2020 Annual GSP Review. You also can view the results, comprising four lists, at <https://www.regulations.gov> using docket number USTR-2020-0019, under “Supporting and Related Materials” and on the USTR website at <https://ustr.gov/sites/default/files/files/Press/Releases/GSP%20Annual%20Product%20Review%20-%20Final%20Decisions.pdf>

As described in List I, the President granted the petitions to add fresh-cut roses (HTS 0603.11.00) to the list of GSP eligible products for all Beneficiary Developing Countries (BDCs). Therefore, qualifying products now enter the United States duty-free.

As described in List II, the President granted the petition to remove rice, semi-milled or wholly milled, whether or not polished or glazed, parboiled (HTS 1006.30.10) from GSP eligibility for all BDCs. Therefore, this product now is subject to the U.S. normal trade relations (NTR) duty rate.

As described in List III, the President granted one-year *de minimis* waivers to 24 products that exceeded the 50 percent import-share CNL but for which the aggregate value of all U.S. imports of that article was below the 2019 *de minimis* level of \$24.5 million. Qualifying products will continue to enter the United States duty-free.

As described in List IV, six products exceeded the CNLs. For more information regarding petitions concerning CNLs, see 85 FR 27261 at <https://www.govinfo.gov/content/pkg/FR-2020-05-07/pdf/2020-09781.pdf>. These products now enter the United States at the NTR duty rate.

Laura Buffo,
Deputy Assistant U.S. Trade Representative for the Generalized System of Preferences,
Office of the United States Trade Representative.